



# VOLUNTARY DISCLOSURE PROGRAM

- ▶ To encourage individuals and businesses who are not current in filing their District tax returns to come forward voluntarily to bring their accounts in compliance with the District's tax laws.
- ▶ If a taxpayer or business has failed to pay District taxes or has transactions on which taxes should be paid, the taxpayer may contact the Voluntary Disclosure Unit in OTR to make satisfactory arrangements to clear their tax record.



# GUIDELINES FOR ANY VOLUNTARY DISCLOSURE APPLICANT

- ▶ Any taxpayer can apply to remedy any tax obligation under voluntary disclosure except for tax liability under the authority of the Real Property Tax Administration and Qualified High Technology Company.
- ▶ In most cases, the Voluntary Disclosure Unit in OTR will agree to limit the look-back period of three years or the date when the taxpayer established nexus in the District of Columbia.



# GUIDELINES FOR ANY VOLUNTARY DISCLOSURE APPLICANT

- ▶ For nonprofit organizations that already have their tax-exempt status approved by OTR, voluntary disclosure may be used to cover unreported Unrelated Business Income (UBI) from prior years. Corporations report UBI to the District of Columbia using Form D-20; all others use Form D-30.
- ▶ The District of Columbia has enacted legislation which requires sellers without a physical presence in the District to collect and remit sales tax if they had, in the previous calendar year, or will have, in the current calendar year, more than \$100,000 of gross receipts from retail sales delivered into the District or more than 200 separate retail sales delivered in the District. This new requirement is effective as of January 1, 2019. Additionally, the legislation required marketplace facilitators, as defined by new D.C. Code § 47-2001(g-5), to collect and remit to the District sales tax on sales made on their marketplaces. This requirement is effective as of April 1, 2019 .



# GUIDELINES FOR ANY VOLUNTARY DISCLOSURE APPLICANT

- ▶ For sales or gross receipts tax cases, if the taxpayer collected sales tax or reimbursement for gross receipts tax from their customers but did not remit the tax to the District of Columbia, the look-back period imposed will be the greater of three years or the date nexus was established in the District of Columbia.



# Benefits of participating in the program

- ▶ Taxpayers can remain anonymous during the initial application stage;
- ▶ Minimizes expenses and expedites the resolution of tax liabilities;
- ▶ Disclosed periods are protected from audits;
- ▶ In most cases, the look-back period will be three years;
- ▶ OTR will not assess any penalties or late fees on the disclosed periods;
- ▶ Primarily all electronic process.



## Benefits of participating in the program (continued)

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- ▶ If the tax liability in certain cases is a substantial amount, the OTR may agree to establish a payment agreement through the Collection Unit, if an adequate amount is paid up-front. However, if the taxpayer fails to make any scheduled payments in a timely manner, the agreement could be considered as null and void. The Voluntary Disclosure Unit in OTR reserves the right to assess additional penalty and interest on the remaining balance of tax due at that time.



# WHO IS NOT ELIGIBLE?

The taxpayer is not eligible for the voluntary disclosure program if:

- ▶ The taxpayer has been contacted by OTR or its representatives (i.e., Multistate Tax Commission or MBIA MuniServices);
- ▶ Filing intermittently, has unreported income on a filed return, or
- ▶ Currently registered and has filed returns for the specific tax type.
- ▶ For taxpayers that are ineligible, you may contact the Voluntary Disclosure Unit for an alternative method to bring your account into compliance.



### Clean Hands

I want to...

- > [Request a Certificate of Clean Hands](#)
- > [Validate a Certificate of Clean Hands](#)
- > [Learn More About Certificate of Clean Hands](#)



### Forms

I want to...

- > [Submit an Extension](#)
- > [View/Retrieve Current Year Tax Forms](#)
- > [View/Retrieve Prior Year Tax Forms](#)
- > [View MeF Information](#)



### Quick Links

I want to...

- > [Submit a Customer Service Survey](#)
- > [View FAQs](#)
- > [View Tutorials](#)
- > [Contact OTR](#)



### Quick Payments

I want to...

- > [Pay with Credit/Debit Card](#)



### Resources

I want to...

- > [Go to OTR Homepage](#)



### Submissions

I want to...

- > [Retrieve a Saved Submission or Previously Filed Return](#)
- > [Submit Requested Documentation](#)
- > [Submit VDA](#)

# Account Information

- Under the Account Information, select the account type being disclosed, year end date (for unincorporated and corporate franchise tax, enter your current taxable year end date) and the appropriate filing frequency will populate.

- When selecting Sales & Use Tax, three required questions will appear. The provided answers will determine the filing frequency.

- Click "Next"

The screenshot shows the 'Account Information' section of the 'Voluntary Disclosure Agreement Request' form. The form is titled 'MyTax DC' and 'Voluntary Disclosure Agreement Request'. The current step is 'Account Information'. The form fields are:

- Account Type: Unincorporated Business Franchise Tax
- Current Filing Frequency: Unincorporated Fiscal
- Current Taxable Year End Date: 30-Jun-2020
- Filing Period From: (empty)
- Filing Period To: (empty)
- Short Period: (checkbox, unchecked)

Buttons: Cancel, Previous, Next

The screenshot shows the 'Account Information' section of the 'Voluntary Disclosure Agreement Request' form. The form is titled 'MyTax DC' and 'Voluntary Disclosure Agreement Request'. The current step is 'Account Information'. The form fields are:

- Account type: Sales & Use Tax
- Filing Frequency: Sales & Use Quarterly
- Reporting DC Sales Tax as a remote seller?: (radio buttons, No selected)
- Reporting DC Sales Tax as a marketplace facilitator?: (radio buttons, No selected)
- Is your location part of a TIF?: (radio buttons, No selected)
- Filing Period From: (empty)
- Filing Period To: (empty)

Buttons: Cancel, Previous, Next

# Taxpayer Information

- If you are the taxpayer, fill out all the required boxes on this page. Check the “I am a representative submitting on behalf of the taxpayer” if you are the taxpayer and want to remain anonymous.
- Provide a description of the entity and why you are requesting a Voluntary Disclosure in the description box.
- Click “Next”

MyTax DC

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### Voluntary Disclosure Agreement Request

Voluntary Disclosure Agreement Request

Account Information Taxpayer Information

#### Taxpayer Information

I am a representative submitting on behalf of a taxpayer

ID Type ID Number

Business Name *Required*

Email *Required* Confirm Email

Phone Type Business Country Code USA 1

Area Code *Required* Phone Number *Required* Extension

Please describe why you are requesting a Voluntary Disclosure Agreement *Required*

#### Taxpayer Address

Street *Required*

Street 2 Unit Type Unit Number

City *Required* State DISTRICT OF COLUMBIA Zip Code *Required*

Country USA

Verify Address

Cancel Previous **Next**

# Representative Information

- If you have checked the “taxpayer representative” box, fill out the representative information.
- As the representative, you will need to attach the Form D-2848 (Power of Attorney and Declaration of Representation). Click “Add Attachment” to attach the form.
- Click “Next”

The screenshot shows the 'MyTax DC' interface for a 'Voluntary Disclosure Agreement Request'. The progress bar indicates that 'Account Information' and 'Taxpayer Information' are completed, and 'Representative Information' is the current step. The 'Representative Information' section includes fields for Business Name, First Name, Middle Name, Last Name, Email, Confirm Email, Phone Type (Business), Country Code (USA), Area Code, Phone Number, and Extension. Below this is an 'Attachments' section with a table header (Type, Name, Description, Size) and a button to 'Add Attachment'. The 'Next' button is highlighted in yellow.

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### Voluntary Disclosure Agreement Request

Voluntary Disclosure Agreement Request

Account Information Taxpayer Information **Representative Information**

#### Representative Information

Business Name \*  
*Required*

First Name \* Middle Name Last Name \*  
*Required* *Required*

Email \* Confirm Email  
*Required*

Phone Type Country Code  
Business USA 1

Area Code \* Phone Number \* Extension

Cancel < Previous **Next** >

#### Attachments

Type	Name	Description	Size
There are no attachments.			

Add Attachment

Cancel < Previous **Next** >

# VDA Periods and Estimated Tax Due

- Provide an estimated tax due for the periods being disclosed. **DO NOT** leave this blank or fill in all zeros. This will cause a delay in processing or rejection.

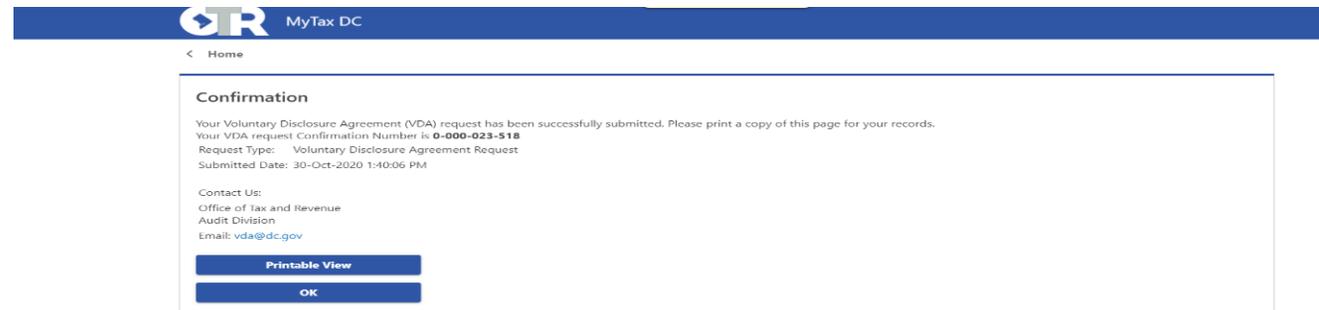
The screenshot shows the 'MyTax DC' interface for a 'Voluntary Disclosure Agreement Request'. The progress bar indicates three steps: 'Account Information', 'Taxpayer Information', and 'VDA Periods Due', with the third step being the active one. The 'VDA Periods' table is as follows:

Filing Period End	Return Due Date	Estimated Tax Due
31-Dec-2019	21-Jan-2020	\$0.00
31-Mar-2020	20-Apr-2020	\$0.00
30-Jun-2020	20-Jul-2020	\$0.00
30-Sep-2020	20-Oct-2020	\$0.00
		\$0.00

Navigation buttons at the bottom include 'Cancel', '< Previous', and 'Submit'.

# VDA Request Confirmation

- The Confirmation page is displayed. To obtain a printed copy of this page, click “printable view”. You will need to retain a copy of the confirmation number as point of reference when inquiring about the status of the request.
- Click “OK”.





# Contact Us

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## Voluntary Disclosure Unit

- Email us at: [vda@dc.gov](mailto:vda@dc.gov)

# Q & A

